

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM JANUARY 14, 2009
OPEN SESSION

MINUTES OF JANUARY 14, 2009 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN LAMBERT BOISSIERE, VICE CHAIR JIMMY FIELD, COMMISSIONERS FOSTER CAMPBELL, PAT MANUEL, AND ERIC SKRMETTA. ALSO PRESENT IS LAWRENCE C. ST BLANC.

Open Session of January 14, 2009 convened at 9:15 A.M., adjourning at 12:11 P.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Secretary Lawrence C. St. Blanc.

Ex. 1 Announcements

Commissioner Boissiere welcomed Commissioner Eric Skrmetta as the new commissioner for District 1.

Ex. 2 Election of Chairman and Vice-Chairman

Commissioner Manuel made a motion to nominate Commissioner Boissiere as Chairman. Commissioner Boissiere seconded the motion.

Commissioner Campbell made a substitute motion to nominate Commissioner Field as Chairman. Commissioner Field seconded the motion. By a vote of three to two, this motion was defeated.

Commissioner Boissiere then called the original motion to a vote. The Commission unanimously voted to nominate Commissioner Boissiere as Chairman for 2009.

On motion of Commissioner Manuel, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to nominate Commissioner Field as Vice-Chairman for 2009.

Ex. 3 **U-30474** – Valley Electric Membership Corporation (Natchitoches, LA), ex parte. In re: Request for an adjustment in retail rates

In re: Discussion and Possible Vote on Uncontested Stipulated Agreement

On motion of Commissioner Campbell, seconded by Commissioner Field, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the uncontested stipulated settlement as agreed on by the parties and filed into the record.

Ex. 4 **U-30547** - Curtis Environmental Utilities, ex parte. In re: Request for an increase in rates for customers in Timber Ridge and Trace Subdivisions, St. Tammany Parish, Louisiana.

In re: Stipulated Agreement

On motion of Commissioner Skrmetta, seconded by Commissioner Field, with Commissioners Boissiere and Manuel concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the stipulated settlement agreement as filed into the record.

Ex. 5 **U-30867** - Entergy Gulf States Louisiana, LLC, ex parte. In re: Application of Entergy Gulf States Louisiana, LLC for authorization to participate in contract for the purchase of electric power from EAI Wholesale Baseload Capacity Resource for 2009 and for timely treatment.

On motion of Commissioner Manuel, seconded by Commissioner Field, with Commissioners Boissiere and Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve EGSL's application adopting the Commission

Staff's recommendations as set forth in the report filed into the record on December 30, 2008.

Ex. 6 **U-21453, U-20925, and U-22092 (Subdocket J)** – Entergy Gulf States, Inc., ex parte. In re: Request for the approval of the Jurisdictional Separation Plan for Entergy Gulf States, Inc.

In re: Motion of the Louisiana Public Service Commission Staff to Enforce Order No. U-21453, U-20925 and U-22092 (Subdocket-J) with respect to the accounting for the Spindletop Gas Storage Facility.

Last month's Ex. 4

PASSED

Ex. 7 **R-30480** - LPSC, ex parte. In re: Review of the Existing State Universal Service Fund, as established by LPSC General Order dated 4/29/05, as amended 5/18/05.

At the request of Commissioner Manuel.

Last month's Ex. 17

PASSED

Ex. 8 **R-28271** – Louisiana Public Service Commission, Ex Parte. In re: Investigation regarding the feasibility of implementing a renewable standard portfolio for the Jurisdictional Electric Utilities in the State of Louisiana.

In re: Discussion and possible vote to direct staff to consider the feasibility of implementing a renewable standard portfolio.

On motion of Commissioner Boissiere, seconded by Commissioner Field, with Commissioners Manuel and Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to reexamine the feasibility of a renewable portfolio standard ("RPS") for the State of Louisiana and to hire Kennedy and Associates to continue its assistance to the Commission Staff. Kennedy and Associates was directed to provide a budget and to move forward with the reexamination of a RPS.

Ex. 9 **Report from the Entergy System's Independent Coordinator of Transmission**

Bruce Rew with the Southwest Power Pool, acting as the Independent Coordinator of Transmission for Entergy, provided an update regarding the status of various transmission upgrades in Louisiana. Commissioner Field asked Mr. Rew to report back to the Commission concerning the Reliability LOOP Project, Amite South and the Wells to Waterford upgrade.

In addition, Commissioner Skrmetta asked Mr. Rew to address whether the Federal Government, perhaps through block grants, could provide funding to assist in the construction of new transmission infrastructure in Louisiana. Mr. Rew said he would look into the matter and report back to the Commission.

Ex. 10 1) Reports
 2) Resolutions
 3) Discussions

The Commission's Special Counsel and counsel for the LURC reported that the International Financing Review awarded the securitization of ELL's Katrina/Rita storm costs the prestigious "United States Securitization of the Year for 2008". This award reflects the enormous savings to ratepayers produced by the transaction as well as the fact that the bonds were sold at AAA ratings in the midst of the credit crisis last summer.

Commissioner Skrmetta directed Staff to investigate and look into the possibility of Civil Service allocating an additional unclassified position to each district office for a public affairs officer.

Commissioner Field asked for an update regarding the monitoring report in the Little Gypsy docket, U-30192. Staff Attorney Melissa Watson reported that the Commission outside consultant, Matt Kahal, would attend the February B & E and would provide an update.

Commissioner Field also requested Staff to provide an update on the NRRI audit.

- Ex. 11 **T-30032** - Louisiana Public Service Commission Vs. Stanford Truck Line (Iota, Louisiana). In re: Alleged violation of Louisiana Revised Statutes Title 45, 163.1 through 194, as amended, by Operating intrastate without L.P.S.C. authority on eight counts.

At the request of Commissioner Manuel

On motion of Commissioner Manuel, seconded by Commissioner Field, with Commissioners Boissiere and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to accept the ALJ Recommendation and find the carrier guilty of violating Title 45, Chapter 4 of the Revised Statutes of 1950, Sections 163.1 through 194, as amended, by operating intrastate without LPSC authority and fine the carrier \$800, with \$400 suspended pending no further violations.

- Ex. 12 **T-30033** - Louisiana Public Service Commission Vs. My Vac (Jennings, Louisiana). In re: Alleged violation of Title 45, Chapter 4 of the Revised Statutes of 1950, Sections 136.1 through 194, as amended, specifically the provisions of La. R.S. 45:164, by operating intrastate without L.P.S.C. authority on sixteen counts.

At the request of Commissioner Manuel

On motion of Commissioner Manuel, seconded by Commissioner Field, with Commissioners Boissiere and Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to accept the ALJ Recommendation and find the carrier guilty of violating Title 45, Chapter 4 of the Revised Statutes of 1950, Sections 163.1 through 194, as amended, by operating intrastate without LPSC authority and fine the carrier \$1,500, with \$750 suspended pending no further violations.

- Ex. 13 **T-30591** - Louisiana Public Service Commission vs. William Oakland and The Movers (Metairie, Louisiana). In re: Alleged violation of Louisiana Revised Statute Title 45, 163.1 through 194, as amended, by operating intrastate without L.P.S.C. authority, and a Violation of Louisiana R.S. 45:164E(1), by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1), one (1) count allegedly having occurred on or about April 14, 2007.

At the request of Commissioner Field

On motion of Commissioner Field, seconded by Commissioner Manuel, with Commissioners Boissiere and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to accept the ALJ Recommendation and find the carrier guilty of violating Louisiana Revised Statute Title 45, 163.1 through 194, as amended, by operating intrastate without L.P.S.C. authority, and a Violation of Louisiana R.S. 45:164E(1), by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164E(1), one (1) count allegedly having occurred on or about April 14, 2007 and fine the carrier in the amount of \$10,000, payable within 15 days of the issuance of this Order.

The Commission also directed Staff to review all applicable statutes and Commission orders and determine if in future cases, the Commission can order defendant carriers to refund the contract price of the service rendered, award damages and order defendants to return property to damaged consumers. Staff was also directed to report to the Commission regarding possible amendments to outstanding orders which would permit the Commission to order such recovery or relief.

- Ex. 14 **U-30638 c/w S-30683** - Claiborne Electric Cooperative, Inc., ex parte. In re: Application for adjustment in retail rates for its customers in the Parishes of Bienville, Claiborne, Lincoln, Ouachita, Union and Webster **CONSOLIDATED WITH** Claiborne Electric Cooperative, Inc., ex parte. Request for a letter of non-opposition by Claiborne Electric Cooperative, Inc., for approval to update its non-recurring fees and charges.

In re: Discussion and Possible Vote on Uncontested Stipulated Settlement.

At the request of Commissioner Campbell

On motion of Commissioner Campbell, seconded by Commissioner Field, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the uncontested stipulated settlement as agreed on by the parties and filed into the record.

- Ex. 15 **U-27789 Sub. A** - Atmos Energy Corporation, ex parte. In re: Petition requesting the renewal of the Asset Management Plan for the period April 1, 2009 through March 31, 2014 for Atmos Energy Corporation's Regulatory Divisions, Louisiana Gas Service and Trans Louisiana Gas.

In re: Discussion and Possible Vote on Uncontested Stipulated Settlement.

At the request of Commissioner Manuel

On motion of Commissioner Manuel, seconded by Commissioner Skrmetta, with Commissioners Boissiere and Field concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the uncontested stipulated settlement permitting Atmos to renew the Asset Management Plan approved in U-27789 for an additional 5-year term.

- Ex. 16 **U-30618** - St. Amant Gas Company, ex parte. In re: Request for an increase for gas services in the amount of \$2.00 per MCF and a minimum charge of \$15.00 per month.

In re: Discussion and Possible Vote on Uncontested Stipulated Settlement.

At the request of Commissioner Field

On motion of Commissioner Field, seconded by Commissioner Skrmetta, with Commissioners Boissiere and Manuel concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the uncontested stipulated settlement as agreed on by the parties and filed into the record.

- Ex. 17 Discussion and possible vote on proposal to ban commissioners and staff from accepting free meals from representatives of regulated companies.

At the request of Commissioner Campbell and Commissioner Boissiere

Commissioner Campbell made a motion to prohibit Commissioners from accepting anything of value, including gifts, tickets, food or beverages, other than campaign contributions, from any person or entity conducting activities or operations regulated by the Commission or one employed by or representing a person or entity which has business before the Commission; or has a substantial economic interest which may be affected by the Commission; or contract attorneys and consultants. Staff shall also be prohibited from accepting these items, as set forth in the Statutory Ethics Rules. This motion died for lack of a second.

Commissioner Skrmetta offered a substitute motion to defer this item for another month so that he could have time to examine this more closely. Commissioner Manuel seconded the motion, but Commissioner Campbell objected.

On motion of Commissioner Field and Boissiere, seconded by Commissioner Campbell, with Commissioners Manuel and Skrmetta dissenting, the Commission voted to accept Commissioner Field's motion to amend Special Order No. 75-2008 as originally enacted by Special Order 43-2003 pertaining to the LPSC Ethics Rules as read into the record.

- Ex. 18 Presentation on the use of Natural Gas Vehicles.

At the request of Commissioner Campbell

Mr. David M. Owen and Mr. Kevin Reckelhoff with CenterPoint Energy and Mr. Gary G. Rehm with Atmos Energy gave presentations on the use of natural gas vehicles.

MEETING ADJOURNED

The next Business and Executive Session will be held February 11, 2009 at 9:00 a.m. in Baton Rouge, Louisiana.